

**REMARKS**

Claims 1-9 and 11-27 currently appear in this application. The Office Action of June 30, 2004, has been carefully studied. These claims define novel and unobvious subject matter under Sections 102 and 103 of 35 U.S.C., and therefore should be allowed. Applicants respectfully request favorable reconsideration, entry of the present amendment, and formal allowance of the claims.

**Election/Restrictions**

It is noted that claims 7 and 11-15 are withdrawn from further consideration as being drawn to a nonelected group. Accordingly, the claims have been amended to read upon the elected group of the polypeptide SEQ ID NO:4, a polypeptide with MTf activity encoded by a nucleic acid that hybridizes under stringent conditions to nucleic acid encoding SEQ ID NO:4, and to a fragment of SEQ ID NO:4 lacking the GPI anchor region.

**Drawings**

The drawings are objected to because Figures 2-7 are said to be too dark for the Examiner to reasonably interpret.

Accordingly, submitted herewith are new copies of Figures 2-7.

**Claim Objections**

Claim 1 is objected to because of the spelling mistake "cartridge." The present amendment corrects this error.

Claims 2 and 3 are said to encompass nonelected inventions. The present amendment corrects this error.

Claims 8-10 are objected to as being of improper dependent form for failing to further limit the subject matter of a previous claim. Claims 8 and 9 have been amended so that they are dependent from claim 1, and claim 10 has been cancelled and replaced by new claim 19.

**Rejections under 35 U.S.C. 101**

Claims 1-6 and 16 are rejected under 35 U.S.C. 101 because the claimed invention is said to be directed to non-statutory subject matter.

This rejection is respectfully traversed. The claims have now been amended to recite that the protein is an isolated protein.

**Rejections under 35 U.S.C. 112**

Claims 1-6 and 8-10 and 16 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

This rejection is respectfully traversed. The claims have now been amended to correct self-evident spelling errors and to include proper dependency. Additionally, claims 2 and 3 have been amended to recite the stringent hybridization defined in the specification at page 9, lines 2-8.

**Art Rejections**

Claims 1-6, 8-10 and 16 are rejected under 35 U.S.C. 102(b) as being clearly anticipated by Jeffries et al.

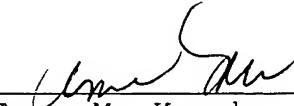
This rejection is respectfully traversed. Jeffries et al. disclose a protein which is used for modulating iron transport, delivery of therapeutic agents, and in the treatment of conditions involving disturbances of iron metabolism. This protein is also said to be a marker for microglial cells associated with senile plaques. However, there is nothing in Jeffries et al. that discloses or suggests that the protein can be used for stimulating chondrogenesis.

In view of the above, it is respectfully submitted that the claims are now in condition for allowance, and favorable action thereon is earnestly solicited.

Appn. No. 10/049,957  
Amd. dated December 28, 2004  
Reply to Office Action of June 30, 2004

Respectfully submitted,

BROWDY AND NEIMARK, P.L.L.C.  
Attorneys for Applicant

By:   
Anne M. Kornbau  
Registration No. 25,884

AMK:srd

Telephone No.: (202) 628-5197

Facsimile No.: (202) 737-3528

G:\BN\Y\YUAS\Kato21\PTO\AMD 27 DEC 04.doc